



Security Council

Fifty-seventh year

Provisional

4592nd meeting

Tuesday, 30 July 2002, 10.30 a.m.

New York

<i>President:</i>	Sir Jeremy Greenstock	(United Kingdom of Great Britain and Northern Ireland)
<i>Members:</i>	Bulgaria	Mr. Tafrov
	Cameroon	Mr. Tidjani
	China	Mr. Zhang Yishan
	Colombia	Mr. Rivas
	France	Mr. Doutriaux
	Guinea	Mr. Boubacar Diallo
	Ireland	Mr. Kavanagh
	Mauritius	Mr. Jingree
	Mexico	Ms. Lajous
	Norway	Mr. Kolby
	Russian Federation	Mr. Gatilov
	Singapore	Mr. Yap
	Syrian Arab Republic	Mr. Wehbe
	United States of America	Mr. Cunningham

Agenda

Security Council resolutions 1160 (1998), 1199 (1998), 1203 (1998), 1239 (1999) and 1244 (1999).

Report of the Secretary-General on the United Nations Interim Administration Mission in Kosovo (S/2002/779)

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The meeting was called to order at 10.40 a.m.

Adoption of the agenda

The agenda was adopted.

Security Council resolutions 1160 (1998), 1199 (1998), 1203 (1998), 1239 (1999) and 1244 (1999)

Report of the Secretary-General on the United Nations Interim Administration Mission in Kosovo (S/2002/779)

The President: I should like to inform the Council that I have received letters from the representatives of Albania, Denmark, the former Yugoslav Republic of Macedonia, Ukraine and the Federal Republic of Yugoslavia, in which they request to be invited to participate in the discussion of the item on the Council's agenda. In conformity with the usual practice, I propose, with the consent of the Council, to invite those representatives to participate in the discussion, without the right to vote, in accordance with the relevant provisions of the Charter and rule 37 of the Council's provisional rules of procedure.

There being no objection, it is so decided.

On behalf of the Council, I welcome His Excellency Mr. Nebojša Čović, Deputy Prime Minister of the Yugoslav constituent Republic of Serbia and President of the Coordination Centre of the Federal Republic of Yugoslavia and the Republic of Serbia for Kosovo and Metohija.

At the invitation of the President, Mr. Čović (Yugoslavia) took a seat at the Council table; Mr. Nesho (Albania), Ms. Lej (Denmark) and Mr. Nikolov (the former Yugoslav Republic of Macedonia) took the seats reserved for them at the side of the Council Chamber.

The President: In accordance with the understanding reached in the Council's prior consultations, and in the absence of objection, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Mr. Michael Steiner, Special Representative of the Secretary-General for Kosovo and Head of the United Nations Interim Administration Mission in Kosovo.

There being no objection, it is so decided.

I invite Mr. Steiner to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Council is meeting in accordance with the understanding reached in its prior consultations.

Members of the Council have before them document S/2002/779, which contains the report of the Secretary-General on the United Nations Interim Administration Mission in Kosovo.

At this meeting, the Security Council will hear a briefing by Mr. Michael Steiner, Special Representative of the Secretary-General for Kosovo and Head of the United Nations Interim Administration Mission. I now give the floor to Mr. Steiner.

Mr. Steiner: The last time I addressed the Council, it endorsed the benchmarks as the international community's yardstick for progress in Kosovo. Since then, Kosovo's provisional institutions have embraced the benchmarks as internal goals and ends in themselves. You have seen the extensive report by the Secretary-General. This report shows that there are still difficulties, but there is also substantial progress. Here is where we stand on the benchmarks.

With regard to building functioning democratic institutions, we finally have in place a multi-ethnic Government with ten ministries and with Serb participation. Last Friday, I promulgated the first law of the Assembly on pensions. Preparations for the second municipal elections are on track. Kosovo's institutions are taking shape. Kosovars can be proud. But the most difficult stage, namely creating a functioning administration and a political culture suited to self-government, is just beginning.

We have always said that there would be mistakes in the beginning. The Assembly overstepped its competence with its resolution on the border with the former Yugoslav Republic of Macedonia (FYROM), which I had to declare null and void. This has been dealt with.

I have urged the institutions to focus on the urgent tasks within their competence, including health, environment and public services. The pace at which the United Nations Interim Administration Mission in Kosovo (UNMIK) transfers further authority to the provisional institutions depends on their readiness to assume real responsibilities. Transfer of power is about

the internationals being able to let go and about the Kosovars assuming responsibility for day-to-day life.

On fighting crime our policy is zero-tolerance for crime and corruption. We are cracking down on organized crime. UNMIK police and the Kosovo Police Service (KPS) have conducted several successful anti-smuggling operations, confiscating large quantities of cigarettes, fuel and alcohol. To expand our efforts to fight corruption, a financial inspection unit, consisting of a highly flexible, crack team from Italy's Guardia di Finanza, will now be created within UNMIK. The people of Kosovo themselves are tired of lawlessness.

When I first arrived in Kosovo, in February, thousands of Kosovars were demonstrating against the arrest of three former members of the Kosovo Liberation Army (KLA). Windows were smashed and people were injured. In the last six weeks, UNMIK police have arrested 14 Kosovar Albanian men for murder, unlawful detention and torture. Again, those arrested included ex-KLA members. This time, some of them were rather prominent. And again, some Kosovars chose to express their opposition in the streets. But this demonstration gained only marginal support, and after an hour the police commissioner sent me a message: "Demonstration peaceful. Demonstration over."

With regard to Mitrovica we have been working hard to establish UNMIK authority in northern Mitrovica. Belgrade has said it agrees with me that there can be no petition, no mono-ethnicity and no parallel structures. But on the ground, we are not there yet. The core of our strategy is effective policing with full support from Commander of the Kosovo Force (KFOR), General Marcel Valentin. UNMIK police are an established force and carry out regular policing in northern Mitrovica. Soon, the Kosovo Police Service will also be there.

In the north, we have received more applications from Serbs to join the KPS than we have posts. Progress in Mitrovica depends on replacing parallel structures with legitimate institutions. Belgrade must discontinue its financing of the parallel structures, including the "Bridge Gang". We, UNMIK police and KFOR, are "watching the bridge".

It is good that Belgrade has called on Kosovo Serb judges and prosecutors to leave the parallel courts and to apply to join the regular courts. There are now sufficient applications, and the applicants will be

screened individually and selected just like all other candidates. To encourage Kosovo Serbs to participate in local Government, we will bring the Government closer to the people. Our approach on decentralization would delegate competence and budget authority to local communities. But the condition is political participation in the municipality itself.

In the economic sphere, we are working on a new deal for Mitrovica. But business and investments will not come into the gray zone of illegal parallel structures. So first, these have to go.

On the economy, as a whole, we have made significant progress. But we took a serious hit ten days ago. There was a disastrous fire in one of the two main power plants in Kosovo, caused by a high intensity bolt of lightning. The situation was quite dramatic. I quote from the police report: "The fire forced a number of workers onto the roof, where they were trapped. The firemen's ladder was unable at first to reach the persons on the roof, as their ladders extend only to 30 meters, and the roof was higher." The workers were saved by the ingenuity of the fire brigade. We have lost more than half of our power capacity with a single stroke of lightning. There was no arson, and the alleged TNT was, as KFOR discovered, simple builders' putty. But if the police report identifies mismanagement or serious negligence, I will hold those responsible accountable.

As a result, there are now and will be power shortages. Together with the Kosovars we will manage, through a number of measures. But the real problem will come this winter. For this, we need to prepare now.

A strong economy is not only powered by energy but also by a solid set of institutions and rules and indeed respect for these rules. We have established a framework for privatization. The Kosovo Trust Agency is in place, thanks to the support of the United Nations Secretariat, as well as the European Union and the World Bank. The Board had its inaugural meeting last week. Preparatory work is now necessary to enable the Agency to establish clear property ownership, facilitate and protect new investments, and put idle assets into productive use.

But to seize the opportunities presented by privatization and to regenerate the economy, we need to find a way to replace declining donor funding. Kosovo's economy is still far from being self-sustaining. I will need your help to find a way to gain

access to credit. This will require political support to develop procedures, to conclude international loan and guarantee agreements, taking into account Kosovo's special status.

We cannot have it both ways. If aid is decreasing, Kosovo must have access to the international financial institutions. Otherwise, the 57% unemployment rate will force the young, the future of Kosovo, to emigrate.

With regard to the returns there is no denying that the returns process has been too slow. And it is a disgrace that in 2002 we still have enclaves in Europe.

But this year we have reversed the trend on returns. The number of minority returns now exceeds outflow. The figures of the Office of the United Nations High Commissioner for Refugees (UNHCR) indicate that approximately 1,000 people returned in the first six months of 2002, while 268 left. The number of returnees is not large, but it indicates that the climate is improving.

KFOR has been able to remove fixed checkpoints. Serbian can be heard in the streets of Pristina. Political support for returns is also growing, although in some municipalities it still needs to be improved. Both the Kosovo Assembly and the Association of Municipal Assemblies have issued resolutions demanding freedom of movement and unconditional return.

Let me quote Prime Minister Bajram Rexhepi:

"My goal is to integrate Serb enclaves that have been physically isolated until now. We will try to integrate them, to offer them a role in all Government institutions, but also on the level of the economy, in enterprises and employment."

We now have the right structures in place. Milorad Todorovic has taken up the position of Inter-Ministerial Coordinator for Returns in the Government. Another Kosovo Serb, Nenad Radosavljevic, is my Special Adviser on Returns. Both the UNMIK Office for Return and the Housing and Property Directorate will now have new, dynamic directors. Property is key. With this fresh start, the Housing and Property Directorate needs proper funding.

Our concept for returns is based on the choice of individuals to return to their own homes and to stay. Success on returns is measured not by how many return, but by making return a genuine option. A

genuine option means safety and the ability to move freely. It means a place to live, a job and equal access to basic services and public utilities. It means the ability to repossess property. It is our job to help create those preconditions. How many return, then, depends on the displaced persons themselves. So it is not about numbers; it is about a real choice.

For example, in partnership with UNHCR, we have just finalized a comprehensive package for 500 people to return in Peje/Pec. Italy has funded the project, worth 3.5 million euros. Exploiting other, similar opportunities requires resources. I will distribute a map and an organizational chart which shows where we go on returns. The more successful we are, the greater the needs will be. Return costs money. We have 30 other projects that are ready to go, and many more to come.

Kosovo must look beyond its boundaries and borders. I have visited all of the neighbours to establish pragmatic relations. Kosovans will now be able to drive to all of them with the Kosovo license plates. They require visas for none of them. They are getting driving licenses that fulfil all European standards and can be used abroad.

Progress on many of the issues that matter to Kosovans requires intensive dialogue with Belgrade. Kosovo's political leaders have yet to participate in this dialogue. The normalization of relations is a key benchmark. On the other hand, we look to Belgrade to support UNMIK's policies in words and deeds. Parallel structures have to go.

Our message is "standards before status". Kosovo has not yet achieved the standards that either the international community or its own people demand, but we can see progress. The benchmarks allow me to measure that progress, to transfer power and to decide, when the time is right, to begin the process to determine Kosovo's future status, in line with paragraph 11 (e) of resolution 1244 (1999). While we cannot say now what shape that future status will be, we can say what it will not be. There will be no partition, no cantonization and no return to the status quo ante of 1999. The outcome cannot be mono-ethnic but must be multi-ethnic. It must be a democratic, safe and respectable Kosovo on the way to Europe.

Progress towards this vision of Kosovo is not guaranteed. There are still many obstacles to overcome. But together with the Kosovo institutions, with the

Kosovans and with the Security Council behind us, I believe it is possible.

The President: I shall now give the floor to Mr. Nebojša Čović, Deputy Prime Minister of the Yugoslav constituent Republic of Serbia and President of the Coordination Centre of the Federal Republic of Yugoslavia and the Republic of Serbia for Kosovo and Metohija.

Mr. Čović (Yugoslavia) (spoke in Serbian; interpretation provided by the delegation): It is a pleasure to address the Council today and to emphasize the improvements that we have made in solving various problems in Kosovo and Metohija.

The Kosovo and Metohija multi-ethnic Assembly has been formed and the Government has been elected, while members of the Serbian national community have been appointed to the positions of the Minister of Agriculture, Forestry and Rural Development, Special Adviser in the Office for Return and Communities of the Special Representative of the Secretary-General, as well as the Inter-Ministerial Coordinator for Returns in the Office of the Premier of Kosovo and Metohija.

Furthermore, an agreement on appointing judges and public prosecutors has been reached, the memorandum of understanding on police cooperation has been signed, as well as the Technical Agreement between the United Nations Interim Administration Mission in Kosovo (UNMIK) and Serbian Railways, and the Protocol on the Movement of Registered Vehicles. With the goal of making an honest dialogue possible, the Serbian side responded positively in the exchange of cultural treasures by handing over the 6,000 year old figurine, the "Goddess on the Throne", to the Special Representative of the Secretary-General.

UNMIK and KFOR operations take place in very complex circumstances, which is precisely why their efforts and results deserve particular praise and respect. I would like to emphasize that the exceptional level of cooperation with Mr. Steiner, to whom I continue to give my full support, is contributing to the process of building confidence and mutual understanding between UNMIK and KFOR, on the one side, and the Federal Republic of Yugoslavia and the Republic of Serbia on the other.

The process of cooperation is slowly moving forward, but there are many things that still need to be done in order to create the conditions for building civil

society in Kosovo and Metohija. Its full democratization necessitates not only time but also the support of the international community and of all the progressive forces within Kosovo and Metohija, along with full cooperation with the democratic leadership in Belgrade.

Our principles are unambiguous: to build a multi-ethnic society in Kosovo and Metohija with the full respect for and implementation of Security Council resolution 1244 (1999), the Constitutional Framework and the common documents of the Federal Republic of Yugoslavia and UNMIK. The Serbian and the Albanian people, despite their changing roles in the past, must achieve reconciliation and make an effort to create and sustain conditions for the implementation of multi-ethnic, multicultural and multi-confessional principles.

The reality in Kosovo and Metohia obliges me to share with you some very disturbing facts: the deployed international peacekeeping forces, members of the International Police Task Force (IPTF) and the United Nations administration in Kosovo and Metohia are still incapable of preventing the violations of basic human rights. The remaining non-Albanian population and the few returnees to Kosovo and Metohia continue to be subjected to terror, murders and robberies on a daily basis.

Let me remind the Council of my exposé of 24 April 2002, in this very place, when I presented to you the Principles of the Programme for the Return of Internally Displaced Persons from Kosovo and Metohia. On 25 May 2002, the UNMIK administration produced their Concept of Rights to Sustainable Return. Both documents are based on the conviction that return is a voluntary act; that everybody has the right to return to his or her home across Kosovo and Metohia; that return also has to begin in urban areas; that the provisional institutions of the local self-government must direct considerable budgetary funds towards return and reintegration; and, above all, that return has to be made sustainable by the fulfilment of basic preconditions of personal and professional safety, freedom of movement and realization of property rights. Despite the indisputable uniformity of principles and goals that were presented in both documents, the process of return unfortunately remains more of a dead letter in writing than an action realized in the field.

It has been three years since the massive expulsion of Serbs and other non-Albanian

populations — 280,000 people — from Kosovo and Metohia, and this process has in smaller proportions continued up to the present day. The patience of the displaced persons has been exhausted, which is why the realization of planned and organized return must be handled in a determined manner, without denying the right of individual return, either.

The report of the Office of the United Nations High Commissioner for Refugees (UNHCR) quotes the numbers of displaced persons who have returned to the area of Kosovo and Metohia in the period from 2000 to 2002 as: 2,888 Serbs, 384 Romas, 769 Egyptians, 74 Bosniaks, 31 Gorans and 59 Albanians, which makes a total of 4,205 individuals. What the report fails to show is how many returnees came back to central Serbia and Montenegro after they were unable to get their previously held jobs. There are no Serbs left in public services, industry, agricultural farms or the electric power supply system, which is currently also suffering the consequences of an accident in mid-July in the Thermoelectric Power Plant Kosovo B. By and large, those were the cases of spontaneous return to the predominantly Serbian communities, and in most of these cases the participation of the international community was reduced to the mere organization of escort and transport services.

According to the report by our Commission for Refugees, during the year 2001 the Commission received 10,000 new applications for ID cards for internally displaced persons, and the same trend has continued in this year, which means that even with the return of a limited number of Serbs, their expulsion from Kosovo and Metohia continues.

If we do not most urgently grasp the seriousness of this moment, as well as the difficult situation and vital conditions of the displaced persons, and if we fail to take decisive measures towards fulfilling the programme for their return, the international community will have to bear the heavy responsibility for neglecting basic human rights.

The fact of the matter is that the Serbs have become a minority in one part of their territory and that they are deprived of their basic human rights in Kosovo and Metohija. Nobody disputes the right of the States in the region to look after their communities in the neighbouring countries, but at the same time our country is deprived of that right in part of its own territory.

Examining the destinies of abducted and missing persons, the Coordination Centre has collected eyewitness accounts and information on over 250 kidnappers, who would be able to shed light on the destiny of 74 abducted citizens. This information has been submitted on more than one occasion to the international security forces and the investigators of the Hague Tribunal, but up to now no action has been taken and no kidnappers have been arrested.

True international reconciliation will be possible only if and when all criminal suspects, regardless of their nationality or current position, are brought to justice. We owe this both to the innocent victims and to the coming generations, who ought to be stepping into the future without a heavy burden from the past.

The Government of the Republic of Serbia has taken initial steps towards fulfilling its obligations related to this matter. So far, we have initiated court proceedings against a number of individuals charged with crimes and violence committed in Kosovo and Metohia, or against Kosmet Albanians since 1999. A number of those individuals are now serving prison sentences. This process will continue under all circumstances, but we are also inviting the authorities in Kosovo and Metohia to fulfil their obligations in this respect.

Furthermore, it is necessary to respect the deadline of 31 December 2002 to investigate all the graves in Kosovo and Metohia and resolve the destiny of 4,000 missing persons from all communities.

In order to create the necessary conditions for a multi-ethnic Kosovo and Metohia, the international community has to show the same degree of determination as it did in the implementation of the Ohrid Agreement in Macedonia, and to implement all the pressure mechanisms at its disposal. This would guarantee the actual implementation of principles of impartiality and equality before the law, equal employment in public services and State enterprises, and the right to receive business development funds.

Economic aid from the international community is often not to be found in the right place and at the right time. An economic revival of production and exchange and new employment opportunities, as well as the stimulation and engagement of the experts who used to live in this area, rather than the employment of foreign workers, would be an additional guarantee for the multi-ethnic character of Kosovo and Metohia.

Experts and analysts may discuss the future status of Kosovo and Metohia as well as its degree of autonomy, but politicians should take into consideration the stability of the region and should reach the decision on the final status only after a truly multi-ethnic society has been established in Kosovo and Metohia.

The pacification of the region of Kosovo and Metohia will be in vain if mountain passes in Kosovo and Metohia continue to be used as passageways for new supplies of modern and sophisticated weaponry. One of our priorities is compliance with paragraph 2 of chapter 8 of the Constitutional Framework for Provisional Self-Government in Kosovo and Metohia, which stipulates that the international peacekeeping troops should exercise their duties in monitoring the border, regulating arms possession and providing public law and order.

The way we understand demilitarization, and the way we believe the international community understands it, does not imply that new national armies ought to be created in the region. The existing Kosovo Protection Corps (KPC) should completely and fully adjust their functions to their stipulated duties. If it is possible for the members of the former warring parties in Bosnia and Herzegovina to participate today in joint peacekeeping operations in the world, then it should be possible in our case as well. We will approach this goal much faster if we are given a chance to cooperate on security issues through the Partnership for Peace programme and other forms of security liaisons in South-Eastern Europe.

In the area of individual and property security, police task forces must reflect the composition and distribution of the population in the municipalities, and there must be equal representation in courts.

What are seen as parallel structures in Kosovska Mitrovica should be carefully re-examined. Equal attention should be devoted to electing the city's administration, and measures should be taken to open up prospects for coexistence in that environment.

During migrations, Serbs have always gravitated towards urban centres, which is why Kosovska Mitrovica is so important to them. In those few cities which are still inhabited by the Serbs, the latter occupy only a few buildings, in which children play behind locked doors, since the streets are too dangerous for them.

Kosovska Mitrovica, which is central in terms of education, health services and economic links with other parts of Serbia, is therefore of vital importance for their survival. The local population of Mitrovica should assume responsibility in areas in which language and religious beliefs may present an obstacle, such as local self-government, health services and education. This is not an attempt to divide a city. Local communities in other parts of the world have similar rights and obligations.

The local population of Mitrovica should also assume responsibility for its own safety. Taking into consideration our contacts with the representatives of the Institute of Peace and of the International Crisis Group, as well as my active dialogue with Mr. Steiner, we believe that the main prerequisite for the process of integration to take place in a positive climate is the inclusion of bridge watchers in the Kosovo Police Service, once they have completed the necessary tests and training. Let me quote the following statement:

"Except for passers-by and busy citizens of Kosovska Mitrovica, the majority of people on the bridge used to be homeless beggars. When I was studying for one of my last exams at the Faculty of Civil Engineering, my mother would tell me: 'Keep studying, my son, so that you do not end up on the bridge.' Today, I am one of the bridge watchers."

This is but one of many statements.

There is deep distrust between the Serbian and Albanian people today. However, they must ask themselves whether the differences between them are unbridgeable and whether joint actions can be taken in the context of an economically backward society.

These questions are of particular importance at this time, when local elections in Kosovo and Metohija are approaching. In these elections, Albanians should demonstrate that their goal is a tolerant society and safe coexistence among all ethnic communities. I expect the international community to exercise its right to dispute the participation in the elections of those parties without a clearly defined democratic orientation.

In the field of information, it is necessary to give minorities a presence in public electronic media, and not only in certain special programmes. Paragraph 4 of chapter 5 of the Constitutional Framework, on the prevention of defamation and hate speech in the

Kosovo media, should be respected. This is vital in view of the forthcoming elections.

Political and security stability in Kosovo and Metohija requires the formation of stable institutions. The establishment and strengthening of local democracy is a precondition for the accomplishment of that goal. The decentralization of power, which is now centralized in Kosovo and Metohija at the level of UNMIK — i.e., the creation of conditions for building the institutions of local, communal and regional self-government — is an issue of vital importance. The process of the transfer of power, taking into consideration all the relevant documents, and, above all, Security Council resolution 1244 (1999), the Constitutional Framework for provisional self-government in Kosovo and Metohija, and the joint document between the Federal Republic of Yugoslavia and UNMIK, will promote general and local democratization, as well as raise general awareness of individual and communal responsibilities.

In order to accomplish decentralization efficiently, it is necessary to provide convincing security, political, economic and cultural guarantees for the Serbs, the Albanians and the other national communities in Kosovo and Metohija.

Let me briefly add that the Council has at its disposal an addendum to my presentation entitled "Construction and Development of Local Self-Government in Kosovo and Metohija", contained in Attachment 1.

Mr. Tafrov (Bulgaria) (*spoke in French*): First of all, on behalf of my delegation, I should like to thank you, Sir, for having convened this meeting. I welcome Deputy Minister Čović and Mr. Michael Steiner to the Council, and I think that they have given us valuable input for our debate. I have to say that their statements have given us grounds for optimism, in that we can see that there is greater cooperation between the United Nations Interim Administration Mission in Kosovo (UNMIK) and the Serbian Government.

As a country associated with the European Union, Bulgaria fully associates itself with the statement that will be made shortly by the representative of Denmark on behalf of the Union, and so I shall confine myself to a few comments in my national capacity.

Bulgaria welcomes the developments in Kosovo that have strengthened regional security and stability.

The final establishment of the provisional self-government institutions and the fact that they have actually begun their activities, including the adoption of a programme of work, are successes that should help to resolve the practical problems faced by all the inhabitants of the province.

Bulgaria welcomes the work of the Special Representative aimed at better coordinating the activities of UNMIK and the province's provisional institutions. That cooperation is particularly important, because it can lead to positive, tangible results in all aspects of social life, on the basis of Security Council resolution 1244 (1999) and of the Constitutional Framework.

The measures taken in the economic area are very important because they can help to improve the economic situation in the province, and particularly in reducing unemployment — the real scourge of Kosovo.

Privatization must be carried out in a transparent manner, enabling the international community to follow it closely, so as to make sure that the interests of all participants are protected, as well as those of creditors.

Bulgaria welcomes UNMIK's determination to take effective action in the areas of security, the combat against terrorism and organized crime, and in affirming the primacy of the rule of law. What Mr. Steiner said in this respect was very eloquent, and we would like to thank him for the energetic manner in which he is combating organized crime.

We note the important achievements in this area, such as the arrest of former members of the Kosovo Liberation Army (KLA) accused of war crimes and of torturing some of their fellow citizens in Kosovo, as well as the start of the process of prosecution and trials related to terrorist activities.

Setting up an effective judiciary is the keystone for the smooth functioning of authority, good governance and socio-political life in Kosovo. The building of local capacities for law and order — joint, specialized and multi-ethnic police services to be monitored by UNMIK — is of paramount importance. This would strengthen the confidence of citizens of all communities in the judiciary and in law and order.

Strengthening the police force and the judiciary will require the support of the international community and a growing awareness among the people of Kosovo

that only respect for law and order can bring normalcy to the province.

We therefore welcome Mr. Steiner's news about the Italian Guardia di Finanza in Kosovo, which has a long tradition and is an excellent instrument for achieving the rule of law. In view of the improved climate Bulgaria continues to stress the need to complete the investigation into the cruel murder of Valentin Krumov, a Bulgarian citizen, in 2000 and the arrest of those responsible for the attack.

We welcome the cooperation between UNMIK and the Belgrade and Skopje authorities, which helps in resolving the practical problems in Kosovo, including the fight against terrorism, organized crime and the creation of opportunities to establish normal economic relations. We believe that the development and the adoption of standardized regulations governing international communication, with the powers of the provisional authorities clearly defined, acceptable to all the parties involved will contribute to avoiding unwanted international misunderstandings. Resolving this matter is very important to ensuring freedom of movement for Kosovar citizens outside the region and to ensuring that neighbouring States honour their international commitments.

In conclusion, Bulgaria believes that important progress has been made in Kosovo recently. Yet, despite the positive developments — and Deputy Prime Minister Čović and Mr. Steiner spoke about that — we are still far from the time when the complete devolution of powers by the international community to the Kosovars themselves can be completed. Much remains to be done to achieve the benchmarks elaborated by Mr. Steiner. The accelerated return of refugees is a precondition for reaching that stage.

I listened with great interest to the conclusions set out by Mr. Steiner in his statement. I think we all agree that the future of Kosovo must be multi-ethnic. To that end, it is very important that all the inhabitants of Kosovo feel at home there.

Mr. Wehbe (Syrian Arab Republic) (*spoke in Arabic*): My delegation wishes to welcome Mr. Nebojsa Čović, Deputy Prime Minister of Serbia and Head of the Federal Republic of Yugoslavia/Serbia Coordinating Centre for Kosovo and Metohija. We thank him for the detailed information he has provided on the situation in Kosovo and the state of cooperation with Mr. Steiner. My delegation would also like to

thank Mr. Steiner, Special Representative of the Secretary-General, for his detailed comprehensive briefing to the Security Council on the latest developments in the situation in its various aspects in Kosovo. My delegation also welcomes the Secretary-General's report on the United Nations Interim Administration in Kosovo (UNMIK).

We also welcome the positive developments that have taken place recently in Kosovo, particularly the setting up of a Government that includes representatives of the Coalition for Serb Returnees to Kosovo and its swearing in. We believe these are positive results that represent significant progress made since the information we had received in Mr. Steiner's statement of 24 April 2002.

Allow me to commend the activities of UNMIK, particularly the fact that it continues to cooperate with the interim administration to transfer authority according to the benchmarks set by Mr. Steiner. The Mission is also working to ensure that any measures taken by the interim administration are in keeping with the rules and benchmarks, which in turn must be in keeping with resolution 1244 (1999) and the constitutional order.

We appreciate the efforts that have been and continue to be made by the Government of the Federal Republic of Yugoslavia to cooperate with the Mission, particularly the current cooperation reflected in the statement of Mr. Čović, Deputy Prime Minister of Yugoslavia. My delegation also expresses its appreciation to UNMIK for its efforts to restore calm and stability to Kosovo by combating cross-border smuggling and illegal border-crossing by smugglers. We encourage cooperation with local police forces, along the lines set forth by Mr. Steiner, to combat crime and violence and to ensure respect for the rule of law. We believe that combating regional crime requires cooperation with neighbouring States in order to ensure a global fight against such crime.

We appreciate the coordination on the economic and monetary fronts. We encourage the efforts being made to encourage the return of those who left Kosovo. Such efforts will promote stability in the region, particularly the reintegration of the returnees into the local communities to ensure development, stability and reconstruction. We look forward with confidence to the municipal elections, which will be held in October 2002. We express the hope that all groups and ethnic

minorities in Kosovo will be represented in those municipal elections and that all groups in Kosovo will be able to participate in them.

Finally, I reiterate our appreciation to Mr. Steiner for his efforts and the efforts of the Mission. I have two questions for him. The first question is: Can he clarify the issue of returnees with regard to what measures will likely accelerate the return rate of refugees and internally displaced persons? How can their rights be guaranteed?

The second question is: What is the nature of the efforts being made to tackle the issue of abducted and missing persons? That issue is now before the Court at The Hague.

In conclusion, I should like to thank Mr. Steiner and all those who are working in UNMIK for their efforts to guarantee stability and calm in Kosovo and in the Balkans in general. We thank them for their cooperation with the authorities of the Federal Republic of Yugoslavia.

Mr. Yap (Singapore): First of all, we should like to thank the Special Representative of the Secretary-General, Mr. Steiner, for yet another useful briefing, as well as to thank Deputy Prime Minister Čović for his important statement. I should like to make a few points of particular interest and concern to my delegation, and to pose some questions.

At last month's public Council meeting on Kosovo, we commended Mr. Steiner for spelling out detailed benchmarks for the implementation of resolution 1244 (1999). Today, we are taking advantage of the opportunity of his presence to commend him in person. As the Secretary-General said in his report (S/2002/779), those benchmarks

"... will be used as a strategic planning tool to provide direction and a vision for both the provisional institutions and UNMIK. They will be used as a means of regularly measuring progress, building capacity within the Kosovo institutions, stimulating planning processes and engaging the resources of the entire Mission." (*para. 61*)

We agree fully with the Secretary-General on the purposes of the benchmarks, and we are glad to note that the provisional institutions have embraced benchmarks as internal goals and ends and that they are becoming more and more involved in developing and taking tangible steps to meet those benchmarks.

Indeed, the benchmark process appears already to have contributed to substantial progress in a number of critical areas in Kosovo — responsible Government institutions, law and order and the return and reconciliation of displaced persons, to name a few. However, it is clear that Kosovo is not yet out of the woods. Much more remains to be done to bring security, stability and advancement to the province, and the vision of an all-inclusive, multi-ethnic society is still some distance away.

In that regard, we would appreciate it if Mr. Steiner could give us his assessment concerning the factors that have led to the substantial progress made in Kosovo in recent months. Perhaps he could also share with us his views on how such factors could be harnessed and reinforced to bring Kosovo further towards his vision for the territory.

We know that one key issue with regard to which there has been little forward movement is Mitrovica. The fact that the United Nations Interim Administration Mission in Kosovo (UNMIK) has been unable fully to exercise its authority over Mitrovica is worrisome. The Federal Republic of Yugoslavia has cooperated well with UNMIK in many areas. We hope that the Federal Republic of Yugoslavia will extend its cooperation to the Mission with regard to Mitrovica as well.

It is evident from the statements of Mr. Čović and Mr. Steiner that there are wide differences on the Mitrovica issue. In that regard, we should like to ask Mr. Steiner and Mr. Čović what confidence-building measures can be put in place to bring Mitrovica closer to a solution.

Ms. Lajous (Mexico) (spoke in Spanish): First of all, my delegation would like to thank Mr. Michael Steiner for his very comprehensive briefing today, which complements the periodic report of the Secretary-General (S/2002/779).

I should also like to express our appreciation for this morning's statement by Deputy Prime Minister Čović, who provided a distinct but complementary view of the objectives for the future. We have also viewed with great interest the document associated with Mr. Čović's statement, on the decentralization strategy in Kosovo and Metohija and on the strengthening of national, local and community Governments. We shall study it very carefully, and we should like Mr. Čović to know that this is a matter of

great interest and relevance to our country, where we have recently made important progress with regard to respect for autonomous indigenous peoples. We believe, as he said this morning, in the importance of the democratic process, respect for the mandate of majorities, and respect for the rights of minorities.

At the same time, we have noted with satisfaction that, during the time period covered by the report, important advances have been made in Kosovo's situation, mainly as a result of the work of the United Nations Interim Administration Mission in Kosovo (UNMIK). In that connection, we should like to stress something that we have emphasized in the past: the importance that Mexico attaches to the definitive formation of a multi-ethnic Government in Kosovo and the prospects for the electoral processes that will take place on 26 October.

In that context, it is encouraging to see the broad interest of non-governmental organizations and political entities — including some that represent the Serbian population — in participating as observers of the electoral process. Mexico considers it fundamental that the members of the Serbian community and of other minorities — including refugees and internally displaced persons — participate in the electoral process. We welcome the measures that UNMIK has adopted, in cooperation with the authorities of the Republics of Serbia and Montenegro, to ensure that those outside Kosovo can vote by mail.

As has been said, the return of refugees and of displaced persons to their communities of origin is a basic condition to achieve reconciliation in Kosovo and the final objective of a multi-ethnic Kosovo. That is why, in my previous statement, I emphasized the importance that Mexico attaches to the document of the United Nations Interim Administration Mission in Kosovo (UNMIK), in which the principles for sustainable return are established. We are pleased to note that, for the first time since UNMIK's arrival in Kosovo, there is an environment that favours inter-ethnic dialogue and the possibility of return. We hope that those conditions will continue and improve, and that UNMIK will do its utmost to ensure that the principles for the sustainable return of refugees and of displaced persons can be carried out in practice.

The objectives and difficulties that UNMIK faces are many, and I wish to join the delegations that have

taken the floor before me in pointing out some of my delegation's concerns.

First, concerning the previous reference to the Mitrovica situation, we believe that cooperation among the authorities of the Federal Republic of Yugoslavia is fundamental in order to resolve the problem of parallel structures. Secondly, we should like to mention our concern at the reduction in UNMIK's budget, which could negatively affect the fulfilment of its tasks. Finally, I should like to refer to what Mr. Steiner said about the importance of ensuring the flow of financial resources to Kosovo. Undoubtedly, the most important point in ensuring the flow of those financial resources is the full operation of the rule of law — and full compliance with the laws — in Kosovo.

Nevertheless, we believe that, in addition to achieving that goal, it is also necessary to promote the integration of Kosovo's economy into the European and international economies. In this connection, I would like to know whether any specific attempts have been made, similar to those that have been successfully employed elsewhere in the world, to promote microcredit programmes to ensure that refugees returning to their communities have an opportunity to begin economic activities, thereby directly promoting the well-being of communities.

Obviously, the attitude of donors is essential to doing all this. My delegation would like to appeal to those who have been making considerable contributions to Kosovo's economic recovery not to overlook that aspect.

Mr. Diallo (Guinea) (*spoke in French*): First of all, I would like to welcome Mr. Nebojša Čović, Deputy Prime Minister of the Yugoslav constituent Republic of Serbia and President of the Coordination Centre of the Federal Republic of Yugoslavia and the Republic of Serbia for Kosovo and Metohija, and to thank him for his statement. I would also like to welcome Mr. Steiner. We have listened with interest to the very useful information he has just given us on the situation in Kosovo.

We welcome the significant progress that has been made, including the establishment of a multi-ethnic Government, the adoption of a plan of government, and the fact that the Assembly has begun its work. However, we would like to emphasize the need to ensure the representation of minorities in the parliamentary committees and their recruitment into

the civil service. We also support the efforts under way to organize the municipal elections of next October. We believe that successful elections will certainly serve to strengthen the democratic process.

It is essential that the implementation of economic programmes take into account the interests of all the members and groups in the province. That should go hand in hand with strengthening the rule of law throughout Kosovo. In this regard, we endorse the establishment of local law and order capacities.

The question of returns of refugees and displaced persons, as well as their reintegration, is very important to reconciliation in Kosovo. The fate of missing persons and the issue of the return of property should also be giving very special attention. It is essential to have adequate resources with which to do this work. We support the Secretary-General's appeal to the donor community. We also welcome and encourage the use of media to raise awareness among communities.

We are pleased to take note of the efforts being made to improve relations between Kosovo, on the one hand, and the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia, on the other. This has contributed to re-establishing confidence and to ensuring that dialogue continues.

In conclusion, my delegation endorses the contents of paragraph 61 of the report of the Secretary-General with regard to the criteria for measuring the progress made. We would also like to stress our concern about the substantial reduction in the budget of the United Nations Interim Administration Mission in Kosovo, which would oblige it to transfer responsibility and authority to the provisional institutions earlier than scheduled. We would appreciate it if Mr. Steiner could give us more details about what measures are being envisaged to offset the consequences of that transfer.

Mr. Rivas (Colombia) (spoke in Spanish): The delegation of Colombia would like to begin by welcoming Mr. Nebojša Čović, Deputy Prime Minister of the Republic of Serbia, and to thank him for the contribution he is making towards the establishment of a multi-ethnic Government and society in Kosovo. We would also like to take this opportunity to thank Mr. Steiner, Special Representative of the Secretary-General responsible for the United Nations Interim Administration Mission in Kosovo (UNMIK), for the excellent work he is doing. My Government recognizes

in particular the commitment and dedication he has demonstrated in recent months to try to ensure the establishment of a strong provisional Government in Kosovo.

The successful transfer of functions to the local executive body has strengthened the public, pluralistic and multi-ethnic structure. I would also like to congratulate the Assembly, which adopted the Government programme on the basis of the agreement reached on 28 February and the benchmarks introduced by the Special Representative during his first statement to the Security Council, last April.

Since the establishment of the ministerial cabinet, last June, we have repeatedly received positive news about the activities undertaken by the legislative branch in connection with its willingness to take the necessary measures to protect the interests of the various communities of Kosovo. The democratization process has clearly pointed to an increase in the participation of communities in local bodies. For example, the Assembly decided to increase the number of committee members in order to ensure that minority communities have better representation in the decision-making process. The move towards municipal elections, which are scheduled for 26 October 2002, is surely a serious test to the process of political and social integration of Kosovars. Mr. Steiner has been right to strengthen the monitoring teams for the elections and above all to promote the active participation of all communities in the electoral process from the very beginning.

Despite the efforts of the Special Representative to ensure all the necessary conditions to guarantee a provisional structure for effective self-government, we must continue to work to establish a transparent judicial system and to strengthen the rule of law. The recent detention of some members of the Kosovo Liberation Army leads us to think that the authorities are fighting organized crime and impunity through formal and effective judicial processes.

We are also concerned about the fact that there continues to be a high level of unemployment, estimated to be 57 per cent. The implications of this for the economic revitalization of Kosovo are also a matter of concern. The Secretary-General's report refers to the possibility of stagnation in the process of fiscal expansion, given, among other things, the performance of the business sector and the scarce to non-existent

foreign investment. The report also refers to the consequences of the reduction in donations and the negative impact on Kosovo's overall budget. Although the activities to promote foreign investment initiated by the European Union have been a wise step, we nevertheless think that greater efforts must be made by the international community to promote economic growth in Kosovo.

Finally, we consider it urgent to review the return and reintegration processes for hundreds of Kosovar refugees and displaced persons. We support the request made by the Secretary-General in his report, reminding donors that the Mission must have the necessary resources to successfully carry out the reintegration into society of persons displaced by the conflict. The essential process to ensure an inclusive provisional Government must be sustainable and founded on pluralistic and multi-ethnic participation.

Mr. Zhang Yishan (China) (*spoke in Chinese*): First of all, like other delegations, I would like to welcome Mr. Nebojša Čović to today's meeting, and to express my gratitude for his statement. I am also very grateful to Mr. Steiner for his comprehensive briefing.

We welcome the efforts made by Mr. Steiner since he took office to stabilize the situation in Kosovo, promote the political process, strengthen the capacities of the police and judicial systems and restore and develop the economy of Kosovo. Under Mr. Steiner's leadership, the achievements made by the United Nations Interim Administration Mission in Kosovo (UNMIK) to contribute to effective administration by the provisional Government are apparent to everyone. The Chinese delegation supports UNMIK in continuing its comprehensive and effective implementation of Security Council resolution 1244 (1999), and hopes that, on the basis of its existing work, it will take further measures to combat organized crime along the Kosovo border, protect the freedom and security of minorities, including Serbs, facilitate refugee returns and resolve the problem of missing persons, so that a multi-ethnic society can be established soon in Kosovo. Furthermore, we would like to see further cooperation between the provisional Government in Kosovo and the Federal Republic of Yugoslavia.

Now we would like to ask two questions to Mr. Steiner.

The first concerns the proper name of Kosovo. In paragraph 7 of the Secretary-General's report, it is stated that the Assembly failed to include the amendments made by the Kosovo Serb members on the conditions for return. Furthermore, it would not allow Kosovo Serb members to use, Kosovo and Metohija, as the full name of Kosovo. We would like to know the views of Mr. Steiner on this question, and how it was finally resolved.

Secondly, with regard to the security situation along the border of Kosovo, the Secretary-General said, in paragraph 21 of his report, that the overall security trend remains encouraging. The main crime indicators show that most crimes had an economic basis. We note that only six major crimes were listed here, with the leading ones involving drugs and weapons. There were eight indicators fewer than those listed in his previous quarterly report.

We understand that smuggling is still a serious problem along the Kosovo border. According to reports, this is to a certain extent related to a reduction of KFOR. We would like to hear the comments and views of Mr. Steiner in this regard.

Mr. Jingree (Mauritius): We thank the Special Representative of the Secretary-General, Mr. Steiner, for his comprehensive briefing this morning. We also thank Deputy Prime Minister Čović for his useful statement.

Mauritius is encouraged to see the general positive development taking place in Kosovo. The formation of the provisional institutions of self-government, with full representation from all ethnic communities, shows the determination of all communities to work together in the best interest of the Kosovo population. We note with satisfaction that minority communities are also being represented in functional committees, in line with the Constitutional Framework. We have also noted that the concerns of the minority communities are often not taken into account by the Assembly. We call on the Kosovo Assembly to be more open to representation from minority communities and to ensure that future decisions of the Assembly enjoy the full support of all members.

Likewise, we have noted the encroachment on UNMIK responsibilities by the Kosovo Assembly, something that warranted the Special Representative's intervention and subsequent action by the Security

Council. We call on the Kosovo Assembly to concentrate on the competences entrusted to it and to follow the guidelines established recently by UNMIK regarding the distribution of responsibilities between the provisional institutions of the self-government and UNMIK. Trust and confidence should be the underlining principles of the relations between UNMIK and the provisional institutions of self-government.

We were pleased to hear from Mr. Steiner that preparations for the October municipal elections in Kosovo are on track. We hope to see full participation of minority communities in those elections. My delegation notes with satisfaction the various steps taken by UNMIK in the preparation of the municipal elections. Of particular importance is the signing of the Memorandum of Understanding by the institution-building pillar of UNMIK, with, respectively, the Commissariat for Refugees of Serbia and the Montenegrin authorities, aimed at encouraging Kosovo cities and those who have taken refuge in those areas to vote during those elections. In this context, the contribution of political leaders is also significant. We call on them to positively influence the participation of all minority communities.

On the issue of return of minority communities in the homeland of Kosovo, we welcome the various steps taken by the Kosovo Government to integrate all minority communities in its provisional institutions. We encourage the Government to facilitate the return of refugees and internally displaced persons. We also encourage UNMIK to continue its various projects aimed at supporting minority returns throughout the province.

The abolition of visas by the Government of the former Yugoslav Republic of Macedonia for holders of UNMIK travel documents will indeed be a significant boost to the freedom of movement and will contribute to mutual confidence-building across borders. UNMIK should continue to help Kosovo normalize its relations with its neighbours in this respect.

We believe that two important issues still need serious attention in order to bring long-lasting and sustainable peace to Kosovo.

First, the need for Kosovo to be able to get financial and economic support to develop its capacity in the various sectors of Government administration and police. Secondly, the need to combat organized crime, transport of terrorism and smuggling, which

have not yet been totally curbed. In this respect, we call on neighbouring countries to collaborate with the provisional institutions of self-government and UNMIK in order to address this issue.

Finally, we would like to express our appreciation to the Special Representative and his team for the good work being carried out in fulfilling their mandate in accordance with resolution 1244 (1999).

Mr. Kavanagh (Ireland): We in this delegation are very grateful to Special Representative Steiner for his wide-ranging briefing this morning. We also thank Deputy Prime Minister Čović for his statement. We appreciate the work that has gone into preparing the Secretary-General's report.

Ireland fully supports the statement that will be delivered shortly by the representative of Denmark on behalf of the European Union.

Ireland is encouraged by the increased focus of the provisional institutions of self-government on their assigned tasks in the most recent period. The passage of the Kosovo Assembly's first piece of legislation and preliminary work on further legislation is an especially important step in this regard. But we believe it should be seen as simply a first step.

The Assembly should not allow itself to be distracted in the coming period from the very important range of areas for which it is responsible. There is, as Mr. Steiner has reiterated again this morning, a continuing need for urgent progress in the health and education sectors, progress which has been delayed as the Assembly strays into other responsibilities.

Beyond further progress on the passage of legislation, there is a continued need for all political leaders to develop a substantive dialogue, both within and between the various communities. Political leaders will be unable to represent their constituencies effectively without real progress in this area. Such a political dialogue will also be a key aspect of preparation for the municipal elections, which have been scheduled now for 26 October. It is important that the views of the Kosovo Serb members of the Assembly be given due consideration. We encourage Special Representative Steiner in his efforts to address this and other issues within the Assembly. We know indeed that he is doing so.

We are encouraged by the initial phase of preparation for the municipal elections, including the

certification of a broad range of political parties. The level of participation in the certification process is a very encouraging sign — and a major improvement in comparison with the previous municipal elections held in 2000. We look forward to the full participation of all communities in those elections.

We are also encouraged by progress by the provisional institutions in establishing concrete actions designed to meet the benchmarks set out by the Special Representative before the Council in April. As the Secretary-General has said, the ultimate goal must be local ownership of the process, and the full engagement of the Assembly will be critical to this end.

Improved cooperation in the work of the provisional institutions must be accompanied by real progress on the creation of a society based on the rule of law. Kosovo's future development can only be assured in such an environment. We are encouraged, therefore, by some improvements in the overall security situation, and particularly with regard to a decrease in violent crime. We fully support the efforts of the United Nations Interim Administration Mission in Kosovo (UNMIK) to enforce the rule of law, through, for example, the arrest of former members of the Kosovo Liberation Army last month, among other high-profile arrests. The recent improvement in the security situation of minority groups gives grounds for cautious hope that we are entering a new phase in Kosovo's troubled history. Democracy will only be able to take hold where crime and violence cease to hold sway.

While the positive trend in relation to the Kosovo Police Service has continued, it is now accompanied by signs of real change with regard to minority representation in the judiciary. We welcome the cooperation of the authorities in the Federal Republic of Yugoslavia and in Serbia with regard to issues such as pension and social security rights, but it is essential that there be rapid movement on the dismantling of parallel judicial structures, so that the proposed changes have a real impact on the ground. The situation in Mitrovica in particular remains unacceptable, and there must be early progress on the dismantling of parallel security structures.

As the Secretary-General's report makes clear, there is now, for the first time, a climate which may be genuinely conducive to the promotion of inter-ethnic dialogue and returns. The Kosovo Assembly, building

on very positive signals from Prime Minister Rexhepi, adopted an important resolution earlier this month on the rights of communities and the conditions for returns. This has been accompanied by a small but significant increase in minority returns. Significant, too, is the increase in small-scale local cooperation projects. It is, in the end, reconciliation efforts at this level that will determine whether there can be a real step forward in facilitating a significant number of returns over the next two years. We fully support the efforts of UNMIK at all levels to facilitate the process of dialogue and reconciliation.

As we have said previously, it is vital now that we seize the opportunity offered by this growing positive momentum, encouraging efforts at both the local and regional levels. The putting into place of a framework of economic measures will, of course, be a key component in encouraging lasting returns to Kosovo.

Progress on the returns issue is intimately linked to the development of dialogue with the Federal Republic of Yugoslavia. We are encouraged by the recent progress that has been made through meetings of the High-ranking Working Group. The incremental progress that has been made in this and other formats is laying the foundation for close cooperation between the provisional institutions and the authorities in Belgrade.

UNMIK and the provisional institutions of self-government have begun to cooperate closely on measures to encourage economic development in Kosovo. In our view, it is important that progress be made in creating the conditions for real investor confidence in Kosovo, so that there can be a genuine perspective of hope, in particular for the unemployed. It is only through progress on the economic front that real and long-lasting stability can be created in Kosovo. This is especially true with regard to the many unemployed young people.

Let me say in conclusion that Kosovo's vocation lies in Europe. Peace and stability in south-east Europe are dependent on Kosovo's successful development. In our view, Kosovo's leaders should work to build a truly multi-ethnic, democratic society in order to ensure Kosovo's progress along the road towards European integration. Ireland, together with its partners in the European Union, will continue to support greater integration and regional cooperation through the

Stability Pact and the Stabilization and Association Process.

Mr. Tidjani (Cameroon) (*spoke in French*): The delegation of Cameroon welcomes Deputy Prime Minister Čović and Mr. Steiner, the Special Representative of the Secretary-General. We wish to convey to Mr. Steiner our full appreciation for his detailed briefing on the situation in Kosovo. We followed his briefing with great attention, as we did the statement of the Deputy Prime Minister.

In our intervention during the meeting on Kosovo of 21 January 2002, my delegation insisted on the need to capitalize on all the positive signals in the report of the Secretary-General in order to strengthen the still fragile emergence of a resumption of normal activity in Kosovo.

At that time, we stated that the strengthening of security, the disarmament of all armed bands and the encouragement of the return of all minorities were priority actions that must be undertaken. Today, we note that, thanks to the dedication of the men and women working for Kosovo, action on those priorities, which were incorporated into the work of Mr. Steiner, have already borne fruit. The weak but positive signs of the past that had to be built upon have today been transformed into actual elements, and signal already the probable success of the United Nations in Kosovo.

In effect, the formation of a multi-ethnic Government and of an equally multi-ethnic parliament, as well of a police service that is one of the best examples of a modern, multi-ethnic institution, confirm the current nature of the situation. My delegation welcomes the importance attached to information on the return of displaced persons and on missing persons, to the integration of minorities into institutions and to the inter-ethnic dialogue for reconciliation. My delegation also welcomes the efforts of the United Nations Interim Administration Mission in Kosovo (UNMIK) and of certain States, such as Ireland and the United States, in the strengthening of the capacities of the Kosovar parliamentarians. The experience and knowledge that those parliamentarians can acquire from the practical workings of other assemblies, added to their own wisdom and determination, will provide the inspiration for a local solution.

Perhaps Mr. Steiner can tell the Council how he envisages contributing to solving the problem of the

Parliament's disregard for the concerns of minorities. The creation of the Economic and Fiscal Council is another reason for satisfaction, as are the various initiatives calling for and encouraging private investment and to develop the banking sector.

As well, remarkable progress has been made in strengthening the rule of law throughout the territory of Kosovo and in the fight against insecurity and criminality in all its forms.

My delegation supports the project of regional cooperation in the fight against organized crime, which can, however, produce the desired results only if the police and judicial services just now being created or restructured live up to the hope placed in them. In this respect, the current situation leads us to predict a promising future, although greater cooperation among the authorities of the Federal Republic of Yugoslavia is required on judicial matters.

While the overall evaluation of the situation is positive and the action of the United Nations in Kosovo has a positive dynamic in its current stage, there is reason to remain vigilant, realistic and pragmatic. In fact, the Secretary-General, while welcoming the fortunate results obtained, did not fail to underline his concerns — it is perhaps a strong word, but they are indeed concerns — about the problem of the clear distinction between transferred responsibilities and those reserved for his Special Representative.

After the parliamentary and presidential elections, Mr. Steiner told us that he considered that the moment had come, within the framework of the new phase of the United Nations operation, for authority in Kosovo to be gradually transferred to the provisional institutions, without this necessarily affecting the province's future political status.

We supported him, following the example of other members of the Security Council. We reiterate this support today, and we would invite the Kosovo authorities to abide scrupulously by the provisions in the constitutional framework. This is the only way to proceed harmoniously and to implement the programme and process now under way.

The Secretary-General also highlighted the difficulties due to budgetary constraints — particularly in the areas of the return of displaced persons and in the civil service. Regarding the latter, we wish to encourage all efforts aimed at enhancing recruitment,

taking into account the necessary balances there. On the pay scales, we think one has to be cautious and look at what the actual standard of living is in the region. One also has to look at the role to be played by the private sector.

Returning Kosovo to normalcy will take a long time; it will require patience, perseverance and, above all, skill. These are all virtues that are required so that Kosovo can be part of the large Balkan family, free of the old demons of hatred, violence and war.

To reach this ultimate objective, there are still crucial middle phases that have to be passed through. One is the organization of the municipal elections scheduled for 26 October 2002. We greatly appreciate what UNMIK has been doing to ensure wide participation in the elections, including by voters who are currently outside of Kosovo in an orderly and transparent manner.

At this stage, my delegation cannot subscribe to any idea that would hinder the hard work under way towards the reconciliation of all components of the Kosovo population. We say "no" to "cantonization", and the delegation of Cameroon appeals to all the socio-political component parts of Kosovo to participate fully, without conditions, in this third electoral stage.

The extension of UNMIK's authority throughout Kosovo, notably in Mitrovica, and the perpetuation of good relations with Belgrade and Skopje, are matters that, in our view, deserve special attention by the United Nations in its activities. The success of the United Nations Interim Administration Mission in Kosovo depends now, more than ever before, on cooperation — cooperation on the part of all of the socio-political component parts of Kosovo — cooperation on the part of the Federal Republic of Yugoslavia and The former Yugoslav Republic of Macedonia — and cooperation by the international community, particularly on financial matters.

In conclusion, once again we welcome Mr. Steiner's commitment and efficiency at the helm of UNMIK. What he has done in establishing benchmarks to measure progress can be inscribed in the list of best working practices here within the United Nations. We would also like to thank and encourage all international organizations and the staff of UNMIK itself, working on a day-to-day basis in Kosovo to bring peace to all there.

Mr. Doutriaux (France) (*spoke in French*): I would like to thank Mr. Michael Steiner for his excellent briefing and also welcome Mr. Čović, the Deputy Prime Minister of Serbia and the President of the Coordinating Centre of the Federal Republic of Yugoslavia and the Republic of Serbia for Kosovo.

Since the representative of Denmark will soon speak on behalf of the European Union (EU), I will limit my statement to several points.

The positive balance sheet that we noted in April when Mr. Steiner last came to New York is holding. The current phase is decisive in implementing resolution 1244 (1999), and the progress achieved gives us great hope that the peace efforts of the international community will become a reality. The benchmarks identified by the Special Representative give us a proper standard for measuring what has occurred so far, particularly with regard to the establishment of provisional, effective and democratic institutions; the establishment of multi-ethnic integration, according to resolution 1244 (1999); the rule of law; freedom of movement and the right of the return of refugees; a reduction in the size of the Kosovo Protection Corps (KPC); the establishment of positive relations with Belgrade; the development of regional cooperation; and economic development. These are all benchmarks from which one can measure the progress made.

Considerable progress has been made in recent months since the establishment in March of the coalition Government and in the establishment of democratic institutions. It is encouraging to see that there is a transfer of certain UNMIK powers to executive authorities and, at the same time, the legislative process that is gradually developing. This can be seen, for example, by the adoption on 4 July of a resolution on the return of refugees and displaced persons. This text constitutes an important, positive step, the spirit of which should set the tone for future work of the Kosovo Assembly.

The coming municipal elections will provide an opportunity to further reinforce the democratic basis of the provisional institutions by providing a new opportunity for the communities that did not participate in the 28 October 2000 elections to do so in 2002. This should be one of UNMIK's essential goals in the coming months.

In Kosovo, the primacy of the rule of law, economic development and the creation of a society that is equal for all and for all communities are inextricably linked needs. There must be simultaneous progress in all three areas in order to ensure that there will be a lasting multi-ethnic future.

We welcome the progress that has been made on the inter-ethnic dialogue. This carries great hope that there will be a reconciliation process among the communities, despite the modest number of sustainable returns of refugees and displaced persons to their homes. Likewise, a clarification of the fate of missing persons remains indispensable. Such an effort is crucial for the population to enable it more easily to turn the page on the past. The return of displaced persons will also be facilitated by greater freedom of movement on the territory of Kosovo. Recent progress in UNMIK's relations with Belgrade, as set forth in the common document of 5 November 2001, attests to this. The effective struggle against crime is another condition, and recent arrests carried out by UNMIK are a good sign in this connection.

We must recall the need for UNMIK to extend and maintain its authority over Kosovo as a whole and to fully exercise its authority, other than those powers that have been transferred to local institutions in accordance with the constitutional framework of interim self-government of Kosovo. This must apply to Mitrovica, where we welcome the efforts of UNMIK and KFOR to use a global and gradual approach in concert with the Belgrade authorities, with a view to dismantling parallel structures. This applies also to the external relations of Kosovo, which remain the sole purview of UNMIK and the Special Representative of the Secretary-General, Mr. Steiner.

The deepening of UNMIK's relationships, notably with Belgrade and Skopje, as described in the Secretary-General's report, deserves to be encouraged. The development of regional cooperation in the spirit of the Zagreb summit should also be supported. In general terms, all of the communities have great interest in respecting UNMIK's authority, with a view to ensuring the proper evolution of the process of interim self-government, in the spirit of resolution 1244 (1999).

Finally, I would like to welcome the fine cooperation that exists in the field between UNMIK and KFOR.

Mr. Cunningham (United States of America): I want to congratulate Special Representative Steiner on his continued progress in implementing the mandate that we have set forth in resolution 1244 (1999) and also to say that I appreciate very much the presence of the Deputy Prime Minister of Serbia, Mr. Čović, and his presentation this morning.

We heard two very informative and interesting presentations at the beginning of this discussion, and whether one considers the glass as half-full or half-empty — or, perhaps, a quarter full and three-quarters empty, in this case — it is clear, I think, from the presentations that there is quite a bit of common ground as to the objectives of what we are seeking here, and I think that is positive. It is also clear that there is encouraging progress on a number of fronts, in particular with regard to the benchmarks for good governance that were presented here only three months ago.

That initial progress and good prospects for the future bear out the wisdom of an approach that puts standards of good governance before any premature discussion of political status issues.

As both Mr. Steiner and the Deputy Prime Minister noted in their comments, albeit in different ways, for us to succeed in Kosovo, the people of Kosovo must overcome their difficult and emotional history. That process seems to be beginning.

The United States has long maintained that one key to this success will be building confidence among all parts of the population that the institutions of government will govern democratically and that all will respect fully the rule of law, and that also now seems to be beginning.

We are encouraged by the continuing progress that has been made in strengthening the courts and in ensuring that all who have committed crimes are brought to justice. We applaud the additional international judges and the agreement that has been worked out for increasing the number of Serb judges and prosecutors.

The high-profile arrest and prosecution of those who have committed ethnically motivated crimes are another positive development, and the Kosovo Police Service has been a success far beyond what anyone might have expected. Its numbers include an impressive number of women and minorities, and, with

the agreement of the force in Mitrovica, it may now play an appropriate role in providing freedom of movement and civil security for the population on both sides of the river.

Still, much more remains to be done in Mitrovica, and we fully support the efforts of the United Nations Interim Administration Mission in Kosovo (UNMIK) to make progress there.

We are encouraged by progress on the political side as well. It is appropriate, I think, that the first piece of legislation approved by the Assembly pertained to pensions, a fundamental social and economic issue. Upcoming municipal elections in the fall offer an opportunity for all Kosovars to participate in Kosovo's self-government, and, although progress is uneven across Kosovo, we see new political parties emerging across the political spectrum and increased tolerance for building bridges between communities.

Finally, a word about returns. My Government has been a strong proponent of sustainable returns. We continue to believe that success on this difficult issue will require careful planning and significant resources, and we appreciate the work that UNMIK has done in producing the documents that Mr. Steiner circulated this morning. We applaud the progress that is beginning to be made.

The United States has provided almost \$8 million to non-governmental organizations and to the Office of the United Nations High Commissioner for Refugees (UNHCR) on this issue, and we encourage all donors to consider ways in which they can support the process. Funding shortages have led certain United Nations agencies to consider leaving Kosovo, which, on the issue of returns, would seriously undermine what UNMIK is trying to do.

My Government has committed significant resources on a wide range of issues and initiatives, including the Kosovo Police Service, the Kosovo Protection Corps, the Kosovo courts and sustainable returns. There are significant challenges remaining in Kosovo, but donors must be prepared to address all problems, no matter how difficult they might be.

I want to close simply by saying that we strongly support the efforts of Mr. Steiner and UNMIK, and we look to continued progress in the months ahead in the implementation of UNMIK's mandate.

Mr. Kolby (Norway): I, too, should like to welcome Deputy Prime Minister Čović to this meeting. I should like also to thank Special Representative Steiner for his briefing and to commend him and his staff for their tireless efforts to implement Security Council resolution 1244 (1999) and to realize the benchmarks, not least as regards the rule of law, minority rights and the return of internally displaced persons. I will make some brief comments on these issues.

We welcome the protocols signed on 8 July in Belgrade between the United Nations Interim Administration Mission in Kosovo (UNMIK) and the Serbian Ministry of Justice regarding the return of 40 Kosovo Serb judges and prosecutors to the province. This is, in our view, a positive step in building the rule of law in Kosovo, as well as in strengthening practical and concrete cooperation between Pristina and Belgrade. Furthermore, this could contribute positively to building trust among Kosovo Serbs in the efforts of the international community.

Norway welcomes the first significant organized return of Serb internally displaced persons, which is expected to commence in the Pec and Klina municipalities. Despite the overall bleak picture as regards the actual return of internally displaced persons and refugees to Kosovo, it is encouraging that, in the first six months of 2002, more people have returned than have left. We fully support Special Representative Steiner's strong focus on this issue.

We would like to emphasize the importance of coordination between the organizations involved in facilitating returns. The current funding crisis of the Office of the United Nations High Commissioner for Refugees (UNHCR) and the threat that this poses to the continued operation of the UNHCR in Kosovo underlines this point.

We would like to encourage UNMIK, UNHCR, the Kosovo Coordination Centre and authorities in Belgrade and Pristina to do their utmost to coordinate return-related efforts. The international community should for its part ensure that UNHCR has the necessary funding required for this very important work.

We regret the occurrence of several very unfortunate incidents that took place in Kosovo during the past several weeks. On 14 July, approximately 80 Kosovo Albanians attempted to prevent some 100

Kosovo Serbs — including Bishop Artemije — from holding a religious ceremony in the destroyed Orthodox monastery in Zociste. This was followed by two arson attempts against the remnants of the monastery.

Another setback, in our view, was the display of "hate posters" recently seen in Pristina, Pec and Mitrovica. The posters depicted a Serb soldier cutting the throat of an Albanian boy, with the text "Do not allow criminals to come back to Kosovo". Such posters are clearly well-organized acts of political propaganda aimed at undermining reconciliation among the communities and the normalization of inter-ethnic relations in Kosovo.

We expect responsible political leaders in Kosovo to take a strong, principled stand against acts of intolerance, discrimination and criminal behaviour.

Finally, Norway welcomes the holding of local elections in southern Serbia and hopes that these will be a positive contribution to regional stability. Besides strengthening the stability of the southern municipalities of Serbia, these elections can add to the stability of the whole region if the results are respected by all parties.

Mr. Gatilov (Russian Federation) (*spoke in Russian*): We, too, are pleased to welcome to this meeting today in the Security Council Mr. Steiner and Mr. Čović. Their participation in our debate makes it constructive and business-like, as it always is when they participate.

The Secretary-General's report on the United Nations Interim Administration Mission in Kosovo (UNMIK) gives a full picture of the situation in that part of the Federal Republic of Yugoslavia. We agree with the report's main assessments and conclusions. At the same time, however, we feel that the situation in Kosovo is more complex and problematic. We agree that we can be pleased today about certain progress made in implementing Security Council resolution 1244 (1999), and we welcome the normalization of life in Kosovo. There are grounds for saying the Mission has been successful, as can be seen most of all in further dialogue with Belgrade, in movement towards resolving the problem of Mitrovica and in the increasingly practical participation by the Serbian communities in the upcoming municipal elections. It is important to settle the matter of how Serbs can

participate in the Kosovo Police Service in the northern area.

Another step in the right direction was UNMIK efforts to encourage Kosovars with legal expertise to join the judiciary being set up in Kosovo. In that connection, we greatly appreciate the efforts made by Mr. Steiner, the Special Representative, in moving these positive trends further forward. We can also say generally that UNMIK has moved ahead in establishing the provisional institutions of self-government. The Government has been formed and is functioning; the Serbian ministries, the President and the Assembly are also functioning.

At the same time, despite statements about being committed to multi-ethnicity, in practice those institutions often disregard the interests of the minorities. The latest example of that was the exclusion — due to the position taken by the Albanian majority — of any reference to the University of Northern Kosovo in the law on higher education adopted by the Assembly on 25 July. The Coalition for Return, on recommendations made by UNMIK, has set up a mechanism to protect minorities, in accordance with the Constitutional Framework. In the interest of seeking a proper settlement, the Albanian parties should be more respectful of the rights of other communities. That is particularly important in the light of the upcoming elections.

We welcome more regular contacts between the Special Representative and the leadership of the Coalition for Return in order to discuss the problems of the Serbian community in Kosovo. We believe that the dialogue between Mr. Steiner and the leader of the Yugoslav Coordination Centre in Kosovo, Mr. Čović, is yielding results. They are close to completing work on an agreement that will include recognition by the Yugoslav authorities of UNMIK car license plates. The parties have also begun to discuss the question of decentralizing the local self-government system in Kosovo.

It is important that UNMIK is taking measures to strengthen law and order. A positive development was the arrest of former members of the Kosovo Liberation Army (KLA). Since the beginning of this year three cases have been opened, which involve 17 persons, including members of the Kosovo Protection Corps (KPC) and the Kosovo Police Service. At the same time, a matter of concern is the fact that there has been

a critical response to what the KPC is doing to the international presence. Attempts were made to discredit the work of the international presence. It is no secret to anyone that the KPC is still a paramilitary organization that is simply an offshoot of the KLA.

Therefore, we find incomprehensible the position of KFOR, which virtually supports the status of the KPC. Otherwise, how can it be explained that in June, with KFOR leadership present, there was a ceremony to award military rank to KPC members, which included the rank of General? I must say that that ceremony was hardly suggestive of a civilian undertaking.

We must also refer to continuing problems in other areas of the settlement process. Local self-government matters are still proving difficult. The status of local organs must be resolved in a way that facilitates respect for minorities' rights.

Regarding refugees — Mr. Steiner and Mr. Čović both drew attention to that situation — the statistics on the return of refugees and displaced persons to Kosovo suggest that about 1,000 people returned to the province in the first six months of this year. Serbs accounted for less than one half of the returnees. It is typical of the situation that there was an outflow of persons from the province at the same time. So at this point we cannot talk about any substantial progress having been made in this regard. It is simply not possible to discuss establishing a multinational democratic Kosovo unless the refugee problem is resolved.

The main reason for the lack of movement is the absence of real and equal security for all national communities. There are also serious problems regarding freedom of movement for non-Albanians. The Secretary-General's report mentions — and this is not coincidental — specific cases, which are far from being isolated cases, in which stones were thrown at the cars of Kosovar Serbs. There are other, similar examples of this kind of thing.

In the context of a Kosovo settlement, we must look at external factors also. For example, one of the tasks before the Special Representative is preventive political work with representatives of Kosovar Albanians regarding the confirmed demarcation of the Yugoslav-Macedonian border. We believe generally that external relations of the provisional institutions of self-government of Kosovo must proceed in strict

accordance with the provisional Constitutional Framework and must fully respect the principle of respect for the sovereignty and the territorial integrity of the Federal Republic of Yugoslavia. Preventive action in this regard and closer monitoring of the activities of the institutions of the province and its representatives by UNMIK and Mr. Steiner personally are needed.

We believe this recent overall positive dynamic in the situation in the Balkans must be reinforced. There has been a constructive dialogue between Serbia and Montenegro, gradual movement towards a settlement in Macedonia, further normalization of relations between the Federal Republic of Yugoslavia and Croatia, and progress in other processes as well. We are convinced that all of that can and must become a powerful impetus for an overall settlement in Kosovo, in conformity with Council resolution 1244 (1999).

The President: I shall now make a few points in my capacity as representative of the United Kingdom.

We fully subscribe to the statement that Denmark will make shortly on behalf of the European Union, which sets out our collective policy priorities, fully founded on resolution 1244 (1999). With our European partners, we regard the Secretary-General's judgement that a big step forward has been taken in this reporting period as the right one. There is absolutely no doubt that much remains to be done, but we regard the progress made thus far as a glass half full rather than a glass half empty.

We continue to support the Special Representative's priorities for the United Nations Interim Administration Mission in Kosovo (UNMIK). We thank him for his statement and for his very detailed briefing this morning, which has brought us usefully up to date. Likewise, we support the Kosovo Force's (KFOR) excellent work on the ground in the security field; it is doing absolutely essential work in that regard. We are also very grateful for the Deputy Prime Minister's statement to us this morning. It is very good to see him and the Special Representative working together on the remaining issues of some difficulty for the Serbian community.

Strengthening the rule of law, promoting economic progress and creating conditions to ensure sustainable returns of internally displaced persons remain the key challenges for the immediate future. The United Kingdom welcomes the update that we

have had on implementation of the benchmarking exercise, which we fully support, and we look forward to further regular reports in the future.

We welcome Mr. Čović's continued commitment to work for results on Kosovo issues. We are glad to see recent agreements between Belgrade and UNMIK to bring Serb judges into UNMIK's judicial structures — a good example of deeds being done on the ground to follow up words of commitment — and we hope to see that trend spread. It is also a good example of avoiding illegitimate parallel structures.

We regard it as essential that Kosovo develop good relations with others in the region — not least in order to boost trade and prosperity — but the Kosovo Assembly must act at all times within the terms of resolution 1244 (1999) and the constitutional framework. The Special Representative has been quite right to declare null and void any Assembly regulations falling outside their remit.

We listened carefully to Mr. Steiner's words about the Kosovo economy, and we take careful note of his plea for access to credit for the economy, which will need further thought and study. That is something which, with our European partners, we would be glad to look at. As far as the future is concerned, we also agree with his precept of standards before status, which is the right order of priority.

I now resume my functions as President of the Council and turn to the rule 37 list.

I call on the representative of Denmark, whom I invite to take a seat at the Council table and to make her statement.

Ms. Løj (Denmark): I have the honour to speak on behalf of the European Union. The countries of Central and Eastern Europe associated with the European Union — Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia — the associated countries Cyprus, Malta and Turkey, and the European Free Trade Association countries belonging to the European Economic Area, Iceland and Liechtenstein, align themselves with this statement.

I should like to thank the Deputy Prime Minister, Mr. Nebojša Čović, and the Special Representative of the Secretary-General, Mr. Michael Steiner, for their statements. The Special Representative's briefing, together with the Secretary-General's report, reinforces

the impression of continued progress in Kosovo since the update given by Mr. Steiner when he last addressed the Security Council, three months ago. Nevertheless, only through a sustained effort by all parties will we succeed in fully implementing resolution 1244 (1999). The international community has taken on a responsibility for ensuring the long-term stability and development of Kosovo, and the European Union remains firmly committed to that goal.

An important element in implementing resolution 1244 (1999) is the creation of a culture based on the rule of law. As reported by the Secretary-General, a big step forward has been taken in this reporting period, not least with the formation of Kosovo's multi-ethnic Government. We have noted that the United Nations Interim Administration Mission in Kosovo (UNMIK) and the provisional institutions have developed a constructive relationship. Over the past two years, Kosovo has successfully worked to achieve a more open political environment. That trend must continue.

It is extremely important that members of all communities, including those who boycotted the 2000 elections, participate in the municipal elections on 26 October. It is therefore encouraging that the recently concluded political entity certification period provided promising signals for increased minority community participation. The European Union fully supports the efforts of the Organization for Security and Cooperation in Europe to ensure free and fair elections, and we are confident that the authorities in Belgrade will reiterate last year's appeal to the Kosovo Serbs to participate in the election process.

The constitutional framework provides a clear distinction between transferred responsibilities and those reserved for the Special Representative. We fully endorse the Special Representative's firm response on recent matters relating to responsibilities for international relations. It is natural that the provisional institutions take interest in questions that have an influence on the situation in Kosovo, but their focus should be on issues under their jurisdiction. The European Union notes with satisfaction that guidelines have now been issued to the provisional institutions of self-government on entering into agreements with Governments and with international organizations.

The participation of minorities is vital to the functioning and legitimacy of the judicial system in Kosovo. Thus, the European Union welcomes the

recent understanding between UNMIK and the Federal Republic of Yugoslavia on securing Kosovo Serb participation in the multi-ethnic judicial system. We hope that UNMIK will continue its efforts to increase the number of judges and prosecutors from minority groups.

The European Union expresses its strong concern at the slow pace of the process of return to Kosovo. We are therefore encouraged by the Secretary-General's observation that a climate more favourable for the acceptance of returnees is emerging in local communities, thanks to UNMIK's commitment to achieving sustainable returns over the course of this year. The availability of adequate funding is crucial to ensuring progress on returns, as is the continued presence in Kosovo of the Office of the United Nations High Commissioner for Refugees. The Assembly's adoption, earlier this month, of a resolution on the rights of communities and conditions for returns will, it is hoped, contribute to the acceleration of the process. The absence of reported grave ethnically motivated assaults and the improved freedom of movement for Kosovo Serbs are also positive developments.

Not knowing the fate of missing relatives constitutes a serious strain on all communities in Kosovo and is a major obstacle to reconciliation. We therefore commend and support Special Representative Steiner's endeavours in that field.

Moreover, the European Union urges the authorities of the Federal Republic of Yugoslavia to continue to cooperate with the International Criminal Tribunal for the Former Yugoslavia.

The situation in Mitrovica continues to be a major concern to the European Union. The illegal parallel structures in Mitrovica and in the northern part of Kosovo should be dismantled and the full authority of the United Nations Interim Administration Mission in Kosovo (UNMIK) restored. We call on the authorities of the Federal Republic of Yugoslavia to further cooperate with UNMIK in ensuring that Mitrovica becomes an integrated part of Kosovo society and administration.

The European Union also encourages further progress in the general dialogue between UNMIK and the authorities of the Federal Republic of Yugoslavia based on the UNMIK/Federal Republic of Yugoslavia Common Document, in fulfilment of resolution 1244 (1999).

In this statement I have touched upon most of the areas for which benchmarks have been established. The European Union confirms its strong support for the benchmark process. As stated by Mr. Steiner to the Council in April, those benchmarks represent expectations for the Kosovo leaders and the wider public. In order to be successful, the process must involve a joint effort by UNMIK and the provisional institutions to establish a common understanding on the road map to the future.

The President: The next speaker inscribed on my list is the representative of The former Yugoslav Republic of Macedonia. I invite him to take a seat at the Council table and to make his statement.

Mr. Nikolov (The former Yugoslav Republic of Macedonia): Before I start, I would like to thank Mr. Steiner for his useful briefing and express my gratitude for the statement made by Deputy Prime Minister Čović. I would also like to thank you, Mr. President, for the opportunity to address the Security Council.

The Government of the Republic of Macedonia welcomes the efforts and activities undertaken by the United Nations Interim Administration Mission in Kosovo (UNMIK) to further improve the situation in Kosovo, Federal Republic of Yugoslavia. We believe that the positive developments and the whole process of stabilization of the situation in Kosovo will continue in the future, if we work together to build a multi-ethnic society and democratic institutions, consolidate the economy, achieve substantive progress in the area of security, strengthen the rule of law, reform the judicial system, combat terrorism and organized crime, and tackle crime and violence, et cetera. In this regard, we also welcome the recently established benchmarks, a concept being developed by the Secretary-General and his Special Representative that we consider to be of great importance for promoting the democratization process in Kosovo.

In order to facilitate the movement of citizens in Kosovo into the Republic of Macedonia, the Government of the Republic of Macedonia has recently abolished visas for the holders of UNMIK travel documents and has taken a decision to recognize vehicle plates issued by UNMIK. At the same time, intensive efforts have been made to find practical modalities for issuing temporary permits to Kosovar citizens who own grazing lands in the Republic of Macedonia, as well as for citizens of the Republic of

Macedonia who own land in Kosovo. This has been done with the aim of facilitating movement within the border area and the cultivation of land.

The protocol on police cooperation is in the final stages of signature. Other memorandums regarding customs and bus transportation are being prepared. The Government has also decided to open a new border crossing, Tanusevci-Kodra Fura, between the Republic of Macedonia and the Federal Republic of Yugoslavia. Furthermore, the Macedonian authorities have established a solid channel for communication with UNMIK for consultations on all of the above mentioned issues in order to find practical solutions. Nevertheless, the Joint Expert Committee mentioned in paragraph 52 of the report of the Secretary-General on UNMIK (S/2002/779) has never been established.

Before concluding, I would like to take this opportunity to once again welcome the prompt and decisive reaction of Special Representative Steiner with regard to the declaration of local Kosovo authorities renouncing the agreement on border delineation and demarcation between the Republic of Macedonia and the Federal Republic of Yugoslavia. The Republic of Macedonia firmly believes that the United Nations and the international community will continue efforts to prevent any activities that could lead to destabilizing the border area and the region as a whole. In that regard, the roles of UNMIK under Security Council resolution 1244 (1999) and of the Special Representative are of the utmost importance in preventing possible consequences that could not only affect regional security but could also be considered as attempts that could damage the reputation of the United Nations Interim Administration Mission in Kosovo.

Finally, I would like to take this opportunity to reaffirm the firm position of the Government of the Republic of Macedonia with regard to the proposed solutions to the problems faced by the local population aimed at facilitating communication between the people living on both sides of the border that must fully respect the agreement on border delineation and demarcation between the Republic of Macedonia and the Federal Republic of Yugoslavia.

Mr. Nesho (Albania): The Albanian delegation welcomes the presence of, and the presentation made by, the Special Representative of the Secretary-General, Mr. Michael Steiner, at today's meeting. We also support the report of the Secretary-General on the

activities of the United Nations Interim Administration Mission in Kosovo (UNMIK). In particular, we would like to commend the tremendous activities of UNMIK and the vision and great commitment of Special Representative Steiner in leading UNMIK towards the creation of an open and democratic society in Kosovo that is capable of respecting the will of the people and its great aspiration to become a part of Europe and its democratic institutions.

The outstanding leadership of UNMIK and Special Representative Steiner has provided concrete results towards the establishment of functioning democratic institutions and the rule of law, decentralization, a market economy and the fight against organized crime. It has also contributed to the creation of an open, democratic and multi-ethnic society, in which no one is above the law and where, above all, Albanians, Serbs, Bosnians and others can live and work together and share responsibility for their common country in an undivided and democratic Kosovo that is part of democratic Europe.

The great contribution made by UNMIK and KFOR in Kosovo since the very beginning of their activities is proof of the legacy of the international community's efforts to make Kosovo a success story. Today Kosovo's democratic and representative institutions have successfully carried out general elections for its parliament and for local governments, and have re-established the education system in which 420,000 pupils attend 120 schools and 50,000 students attend university.

Kosovo has embarked on a fast-track to build infrastructure and telecommunications and to regenerate energy sources. Kosovo is expanding its economic, social and commercial relations with Balkan countries, continuing along the path of integration into south-eastern Europe as a necessary precondition for its further integration into a united Europe.

The implementation of the benchmarks presented here in the Security Council by the Special Representative of the Secretary-General, Mr. Steiner — such as creating functioning democratic institutions, institutionalizing the rule of law, freedom of movement everywhere for everyone, the return and integration of displaced people, regenerating the Kosovo economy and property rights — is the necessary condition that will lead Kosovo towards Europe. The benchmarks

also represent the heaviest burden in terms of orienting the will of the people in the right direction.

Obviously, all this success is achieved in an environment where the different parties do not yet trust each other, where the tragic past is trying to cast its shadow on the future, where Kosovo is still considered by some as part of nationalistic scenarios intended to gain political power. Furthermore, the parallel structure and paramilitary groups in northern Kosovo try to compromise the establishment of a multi-ethnic society. Finally, the traditional policy and the Balkan mentality of mistrust continue to hold hostage the opposing parties, preventing them from seeing in the future a positive, irreversible reality that will serve stability and regional peace, creating the ground for a prosperous and integrated region.

For this reason, the Albanian Government will continue support UNMIK and the Special Representative of the Secretary-General in order to successfully implement their work. The Albanian delegation had requested, at a previous meeting of the Security Council, that the legitimate representatives of democratic institutions of Kosovo be present at this meeting, at which the future of their society is discussed.

We commend the initiative of Mr. Steiner, who invited a group of representatives of the Kosovo Assembly to today's meeting. Unfortunately, this farsighted action was wilfully and wrongfully misinterpreted within the confines of some narrow interest. We are of the opinion that the Special Representative must continue to insist on the presence of the legitimate representatives of the people of Kosovo in this body.

Mr. Čović (Yugoslavia) (*spoke in Serbian; interpretation provided by the delegation*): I would like to comment upon some remarks that were made. I would like to thank you for your warm words, which were directed towards me and towards the Government of the Republic of Yugoslavia.

I would like to say that return cannot be one of the 30 projects that are in the process of being realized. The situation of the displaced persons in Yugoslavia is very difficult and dramatic indeed. We have around 700,000 refugees and displaced persons. We have twice managed to prevent people from raising barricades on the roads to Kosovo. We really believe that financial support is necessary in this respect. I applaud what the

Norwegian delegation suggested, that we should coordinate our efforts with regard to the return of displaced persons to Kosovo and Metohija.

As far as the benchmarks are concerned, we gave them full support when Mr. Steiner presented them, and we still give them our support. We want to improve them, and the biggest improvement in that regard would be a temporal dimension, a temporal plan for their realization. I am grateful for the opinion that we should not talk about the final status of Kosovo and Metohija until we achieve certain standards.

Mitrovica has been mentioned several times, and this is a question and a problem for all of us. However, we are slowly making headway in this respect, and I am sure that you understand all the facts that were brought by the Yugoslav delegation.

Everything we achieved was achieved not by pressure, but by agreement. We will solve the problems of Mitrovica and we will continue our progress. However, I have a suggestion. "Bandits" or "gangs" are not good words for just any group. I have had the opportunity to sit with members of the former Kosovo Liberation Army in southern Serbia, but I never used the term "bandits". The reason is that I wanted to solve the problem. This is the case even though those people were less educationally advantaged than those who are at the bridge in Mitrovica. This is a problem we have inherited from Yugoslavia. Parallel structures and gate-watching are the consequence of fear and of the violation of basic human rights of the Serbs in Kosovo and Metohija. I am glad that we are making progress every day.

As for Macedonia, we are very glad that there was progress, and we hope that Macedonia will respect the border demarcation agreement. We believe that this is a very important task.

Finally, I am grateful for your support. However, I did not come to the Security Council to listen to your praise. This is my job. I will strive, with your help, to continue being successful in this job. I like compliments, but we cannot live on compliments. The half-empty, half-full glass may still not quench your thirst. There are many people who have problems. There are Serbs, Albanians, Romas, people from different ethnic communities, and I am very glad when I saw that certain countries in the region were inspired by what we were doing in Kosovo and Metohija. I am very glad our efforts are used as a model to solve

problems in other regions. I will be at these countries' disposal to help them out. And I am sure UNMIK will do the same.

Mr. President, thank you very much for allowing me to speak in the Security Council. I hope that we shall meet again soon, and that we will discuss the temporal dimension of these problems.

The President: I thank the Deputy Prime Minister for these further clarifications and for his expression of continued commitment.

I shall now give the floor to Mr. Steiner to respond to comments and questions raised.

Mr. Steiner: I shall try to go through all the many questions as quickly as possible.

The first point is the matter of return. I think we should not lose sight of the fundamentals. 1999 is only three years past.

You might remember that the reason the international community intervened, first as a military presence and then as a civilian presence, was that most of the people in Kosovo were driven out. You have to understand that a certain length of time is needed before return really becomes possible. There were displaced persons not only among the minorities but also among the majority. A certain length of time is required. We have the encouraging example of Bosnia and Herzegovina. When we first started the return efforts in Bosnia and Herzegovina, I thought that it would be impossible for a sizeable number to return to Bosnia. Now, seven years later, we have seen returns to the most difficult cities. We have returns to Prijedor, Stolac and, this year, thousands of families returning to Srebrenica. That shows that it works, that with the right approach it is possible to have minority returns. Ours is a bottom-up approach, because you need to prepare return projects from the ground up, from the grassroots, and then present them to the donor community.

That brings me to my main point in this context. The international community and the Security Council have asked us to make minority returns possible. We have reported to the Council that we have the necessary parameters to make return really possible on the ground. Return is possible and has started this year, this summer. But it will cost money. Later on, here in New York, we will also inform the donor community of what is possible. Specifically, we will present 30 projects for a quite sizeable number of returns, which

can start immediately. If the Council asks me to make return possible and we prepare it, then I will have to ask the Council to help us financially. Otherwise, it cannot work. Return cannot work if those concrete projects are not supported.

The issue of missing persons was mentioned several times by the representative of Denmark on behalf of the European Union. I think it is an absolutely crucial element psychologically. That is why we have completely re-organized our efforts in this area. We have a new office of missing persons under the leadership of someone who comes from the Hague and who has considerable experience. Mr. Pablo Baraybar leads that office and has already shown significant results. I have invited the families and the representatives of the families of the missing from Belgrade and from Serbia, as well as those from Kosovo, to meet with me because this is an issue that we need to address together. They came to Pristina, and we had a meeting in my office. I think it was quite a successful meeting. To be concrete, let me tell you that the Office of Missing Persons announced publicly in Pristina today that we will now issue medical death certificates. That is very important because those families want legally valid information regarding the fate of their loved ones. We are starting this process to give people legal surety. I think that it is difficult and cannot be worked out overnight, but the record here is quite impressive.

With respect to benchmarks, let me go beyond the details. It is a living document. I am also ready to adopt it in the light of further progress. But what are the benchmarks in reality? They are for the Kosovars. Those who have thought about it understand that. Benchmarks are the way to Europe. If you fulfil the benchmarks, you also fulfil the essential preconditions for moving in that direction – and everyone wants to go in that direction. At the same time, the benchmarks are not a formal prerequisite. They are an aim and goal in themselves, and they are what people want. They are the precondition that we can address. It is the question of unemployment, which is such a heavy burden on Kosovo. It is the precondition that people can go to the institutions and to the courts and have their rights or freely use the streets in security. The benchmarks are in essence also what the people want. This is essentially why they are supported.

A final point: I think it just makes good sense to say that before you can address the question of status,

the substantial autonomy — whatever form it may take — as prescribed in resolution 1244 (1999), you need something that can carry that autonomy. If you do not have functioning institutions, then it remains on paper. You first have to create a functioning, respectable society and functioning institutions. Then it makes sense to talk about the status. I think that people have understood that. Not everyone, but those who are really working in the interest of Kosovo.

Let me also say a word on Mitrovica, which was mentioned several times. We are pursuing a strategy together with the commander of KFOR, General Marcel Valentin, and our cooperation in that regard is excellent. Our strategy addresses several decisive elements, because you cannot solve Mitrovica by addressing just one element. I am grateful that Council members have stressed the point that parallel structures have to go. They are in contradiction with resolution 1244 (1999) and are exactly the opposite of what we want to achieve.

The second point is that policing is key. You need to have a police force that works in the interest of the people, including that of the people in northern Mitrovica. Since the last time I reported to the Council, I have massively increased the presence of the police. The police are working and doing normal police work in Mitrovica, which changes the picture on the ground.

Also with respect to Mitrovica, we will, of course, apply there the policy of zero tolerance for crime and corruption. If need be and if we have proof, we will also arrest people there, not only in the rest of Kosovo. That is what the population there expects. The population is sick and tired of this grey zone in which criminals can visibly go about their business. Equally important is to find ways to allow political participation on the municipal level as well. We have developed a model of how this can happen. But the precondition is that there exists a readiness to take part in the political structures, which must be part of the overall system based on resolution 1244 (1999).

Another element is economics. The economic situation in northern Mitrovica is miserable, and it needs to be changed. People want it to be changed because people there do not want to be without economic prospects. It can be done. We have developed quite a comprehensive programme for an economic perspective in the north of Mitrovica, but there is a simple economic fact. You will not get

business or investment when the legal framework is not clear but is still a grey area; when one does not know what law is to be applied; when there are not yet reliable institutions; and when illegal institutions govern the situation. The precondition for helping the economy in the north is the removal of the parallel structures there.

Let me mention one point that has been raised several times and which I think is a legitimate concern of the Serbs living in northern Mitrovica. Of course, there is fear. I have said publicly — and I also speak on behalf of the KFOR commander — that I will personally guarantee that there will be no incursion from the south over the Ibar river to the north. I can say that on the basis of fact; those are not just words. We can guarantee that no Serb in the north has to fear any incursion from the south if he accepts the common institutions that should govern in the whole of Kosovo. We give this guarantee, and I can say here that we can hinder any incursions so that no one will have fear. Each person has only to expect advantages in joining the legitimate structures.

There was a visit to Mitrovica — and northern Mitrovica — by Admiral Johnston, who is CINCSOUTH and came from Italy. He said publicly — in fact, he could even tell the Council — that he did not recognize northern Mitrovica; it had changed because of the increased presence of the police, of our administration, of UNMIK. He said that he could see it, he could smell it. Precisely what the people in the north want is to become part of the legitimate structure.

The representative of Mexico asked about the possibility of microcredits. I think this is an absolutely crucial element. We have seen an enormous success story in an institution coming from Bangladesh, the Grameen Fund, which is handing out very small microcredits to people in rural areas. It functions in an incredibly impressive way. It shows how people can start businesses with small amounts and then produce their own way of life.

In this context, let me also say that the representative of Mexico is the only one who has mentioned something very important to us, and this again relates to money: it is the funding for our budget. Indeed, it is true that the reductions we had to face — and we will have to face in the future — bring us to the limit of our capabilities and will force us, if it continues, to cut down on our efforts to fight crime. I

think it is the wrong moment to do this, when we are just beginning to see the first fruits of the new structure that we have set up in the framework of justice and the police.

Let me answer two points that were mentioned by the representative of China. First of all, as regards the treatment of the name question in parliament — Kosovo, or Kosovo Metohija — I think this is very simple and have made it clear in Kosovo. The official name of Kosovo is Kosovo. Members of the Council can read this in resolution 1244 (1999). This is the name. We apply it in the Constitutional Framework. We also use it in official documents, because it is the name used in resolution 1244 (1999). At the same time, if someone uses another name orally in parliament or in writing, I think it is very clear that this will not have any consequences. I also made this fact clear to the parliament, where a member of that body can use the word Kosovo Metohija, as it is traditional, but in official documents we follow the guidelines we got from resolution 1244 (1999) and the Constitutional Framework.

On crime, the issue of smuggling was mentioned. Indeed, this is one of our big challenges. I think we are beginning to make some progress here when we think about the millions and millions of cigarettes and other smuggled goods that we have confiscated. By the way, one essential element is gasoline, which has a much greater potential; its volume is much bigger than cigarettes.

Let me mention a practical example. Last week I was at the boundary line between Kosovo and Montenegro, where we have two checkpoints. One is on the Kosovo side, and the other is on the Montenegro side. But between the two checkpoints there are seven kilometres of road going over the mountains. When travelling there, as I did last week, one can see a gasoline station every 300 metres. If one looks at the price of the gasoline, as I did, it can be seen that the cost is 50 euro cents per litre. But in Kosovo or Montenegro it costs 86 cents. One can see from this difference that, if many cars pass by, this is quite a lot of money, amounting to millions.

These are issues that we need to address and to overcome, to the benefit of the budget of Montenegro, as well as that of Kosovo. The solution for something like this is, of course, co-location. This means that the two checkpoints, instead of being apart, should be put

together so that there is no longer a "no man's land". These are the practical measures that we need to address. Indeed, this is a big problem, and a lot of money is evading our budgets and getting lost.

The representatives of Mauritius, the Syrian Arab Republic and others mentioned participation in the forthcoming municipal elections. I think this is a very essential point, because, since politics are local, power, to a certain extent, is also local. What we have so far are 73 political units applying for certification for the municipal elections. Out of these more or less 73 parties, 34 are Serb. This is very encouraging within the context of multi-ethnicity. And it is right, because it has been the Serb parties who have rightly insisted on the municipal elections, because they are in their interest. In communities where they form a sizeable part of the population, it would mean that they have either the majority or a sizeable part in the municipal assembly. Therefore, it is in their interest to take part in the municipal elections, and they should not listen to those who tell them something else.

The representatives of Cameroon and of the Russian Federation mentioned the question of the rights of minorities in the Kosovo Assembly. There was a reference to procedures that we established under the Constitutional Framework. I think that we should see that the Constitutional Framework foresees exceptionally powerful minority protection mechanisms. I am very happy that the Serb representatives have, in the case of the recent law on higher education, used this mechanism, which protects them. It is a mechanism which allows anyone who feels that a minority right has been violated to challenge the law — just adopted by a majority in the parliament — and go to the presidency of the parliament, which has to find or propose a solution by consensus. If there is no consensus, then a panel will be formed with the claimant — the one who pretends that a right has been violated — with the other side, and with a third person whom I will nominate. The panel will decide by majority vote. If the Assembly then adopts the law, fine. If not, the whole law comes to me for promulgation. And of course I will take due account of the panel's recommendation.

What I am saying is that, if we have cases where someone feels that minority rights have been violated, as in the case of higher education, we do have mechanisms, and it is very important that the mechanisms foreseen by the provisional constitution

are applied in such cases. I am very happy that this is exactly what is happening in the case the representatives have mentioned.

Let me say a word on decentralization. There will be no horizontal solutions to this question. We will not have new municipal boundaries. This will not help us, as we will have no cantonization.

Our approach is a vertical approach, which, by the way, does not apply only in some of the communal areas. It should apply throughout Kosovo, because it follows the modern European trend of the devolution of power from the central level to the local level.

We therefore have a model which will also allow minorities, even if they do not form a majority in a certain municipality, to be more involved in their day-to-day life, and that is exactly what they want. But there is a price for that. That price is that, just as we are asking the majority people — the Kosovo Albanians — to accept that Kosovo is not an Albanian society but a multi-ethnic society, and that it must become one, we also must request of the minorities that they be ready to integrate into this society.

That means that in the context of decentralization, we need proof that there is a readiness to participate in political life at the municipal level. That means also that the minorities must take part in the municipal elections, because one cannot on the one hand ask for more rights, albeit for good reason, and then not take part in the elections.

That is what I wished to say in response to the comments made and questions raised by Council members. Let me just say that I am very grateful for the enormous support expressed around this table for what we are doing. We are trying to do our job, and what we need in order to be successful is, of course, the Council's continued readiness to assist us.

Finally, allow me to make a proposal. We have told the Council time and again what progress has been made and what the difficulties are. Perhaps the Council should come when we have the municipal elections, on 26 October, to look at the situation and to find out for itself out where progress is being made and where we still have work to do. I think that if the Council could do this in the context of the municipal elections — if its schedule permits — it would be very helpful and an expression of the continued support of the international community for what we are doing there on the ground, and it would also give the Council an objective picture of where we are.

The President: I warmly thank the Special Representative for those further remarks. He has given us a lot to think about, including that last proposal. In carrying away our gratitude to him, could he also convey to the whole team in the United Nations Interim Administration Mission in Kosovo (UNMIK) from the Security Council our warm admiration for what they are doing on the ground in difficult circumstances.

There are no further speakers left on my list. The Security Council has thus concluded the present stage of its consideration of the item on its agenda.

The meeting rose at 1.40 p.m.